STATE OF TENNESSEE
AIR POLLUTION CONTROL BOARD
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
NASHVILLE, TENNESSEE 37243



Permit to Construct or Modify an Air Contaminant Source Issued Pursuant to Tennessee Air Quality Act

Date Issued: October 10, 2016 Permit Number:

971829

Date Expires: October 10, 2018

Issued To: Installation Address:
Proton Power, Inc. 210 Sam Rayburn Parkway

Lenoir City

Installation Description: Emission Source Reference No.

Research and Development Facility 73-1117

02: Synthetic Fuel Production

04: Process Water Handling/Wood Vinegar Production

The holder of this permit shall comply with the conditions contained in this permit as well as all applicable provisions of the Tennessee Air Pollution Control Regulations (TAPCR).

#### **CONDITIONS:**

1. The application that was utilized in the preparation of this permit is dated July 8, 2016, and is signed by Sam Weaver, President, for the permitted facility. If this person terminates employment or is reassigned different duties and is no longer the responsible person to represent and bind the facility in environmental permitting affairs, the owner or operator of this air contaminant source shall notify the Technical Secretary of the change. Said notification shall be in writing and submitted within thirty (30) days of the change. The notification shall include the name and title of the new person assigned by the source owner or operator to represent and bind the facility in environmental permitting affairs. All representations, agreement to terms and conditions and covenants made by the former responsible person that were used in the establishment of limiting permit conditions on this permit will continue to be binding on the facility until such time that a revision to this permit is obtained that would change said representations, agreements and covenants.

TAPCR 1200-03-09-.03(8)

(conditions continued on next page)

ΓECHNICAL SECRETARY

No Authority is Granted by this Permit to Operate, Construct, or Maintain any Installation in Violation of any Law, Statute, Code, Ordinance, Rule, or Regulation of the State of Tennessee or any of its Political Subdivisions.

NON-TRANSFERABLE

POST AT INSTALLATION ADDRESS

# Tennessee Air Pollution Control Regulations Emission Limitations Source Specific Conditions

# Source ID 02: Synthetic Fuel Production

Consists of distillation drums and flare. <sup>1</sup>CHyP gas produced in the pyrolysis unit enters a conversion unit. The CHyP gas that exits the unit is passed through an afterburner which is supported by natural gas. When the conversion unit is off line the CHyP gas will directly flare to the atmosphere (Source ID 01 is permitted with the CHyP flare).

<sup>1</sup>Cellulose to Hydrogen Power – renewable energy unit that produces inexpensive hydrogen on demand from biomass and waste sources

2. Emissions from this source shall not exceed the limitations outlined in the table below:

Table 1: Pollutant specific emission limitations

Emission Limitations (lbs/hr)				
PM	NOx	CO	VOC	
0.32	0.31	0.74	0.30	

TAPCR 1200-03-07-.04(2) for PM

TAPCR 1200-03-07-.07(2) for NO<sub>X</sub>, CO and VOC

### Compliance Method

Compliance with the emissions listed above shall be assured by installing, operating and maintaining a flare in conformance with its design. Only natural gas shall be used as support fuel to the flare during start-up of the operation. TAPCR 1200-03-07-.07(2)

Maintenance and inspection records from the repair of the flare shall be recorded in a suitable permanent form and kept available for inspection by the Technical Secretary or her representative. These records must be retained for a period of not less than two (2) years. All maintenance activities (including any ongoing maintenance that has not been completed) shall be entered in the maintenance log no later than seven (7) days following the start of the maintenance. TAPCR 1200-03-10-.02(2)(a)

# Source ID 04: Process Water/Wood Vinegar Production

Process water (generated from the fuel conversion system) collected contains dissolved chemicals and oil. The water is passed through an oil/water separator to separate the oily product. The water is distilled in a closed distillation unit to produce a wood vinegar type product containing Benzene. To reduce the Benzene levels, the solution goes through an air sparging process.

3. The stated maximum amount of process water produced from this operation shall not exceed 300 gallons per day. TAPCR 1200-03-09-.01(1)(d) and the approved application dated July 8, 2016.

# Compliance Method

A log of the process water produced that readily shows compliance with this Condition must be maintained at the source location and kept available for inspection by the Technical Secretary or her representatives. These records must be retained for a period of not less than two (2) years and made readily available for inspection by the Division. All data, including all required calculations, must be entered in the log no later than thirty (30) days from the end of the month for which the data is required. TAPCR 1200-03-10-.02(2)(a).

4. Hazardous Air Pollutants (HAPs) emitted from this source shall not exceed 0.35 lbs/hr. This emission limitation is established pursuant to Rule 1200-03-07-.07(2) of Tennessee Air Pollution Control Regulations.

## Compliance Method

Compliance with the emissions listed above shall be assured by complying with Condition 3.

# **Tennessee Air Pollution Control Regulations General Requirements**

- 5. Visible emissions from this source shall not exhibit greater than twenty percent (20%) opacity, except for one (1) six-minute period in any one (1) hour period, and for no more than four (4) six-minute periods in any twenty-four (24) hour period. Visible emissions from this source shall be determined by EPA Method 9, as published in the current 40 CFR 60, Appendix A (six-minute average). TAPCR 1200-03-05-.01(1) and TAPCR 1200-03-05-.03(6)
- 6. Visible emissions from roads and parking areas shall not exhibit greater than ten percent (10%) opacity as determined by Tennessee Visible Emission Evaluation (TVEE) Method 1, as adopted by the Tennessee Air Pollution Control Board on April 29, 1982, as amended on September 15, 1982 and as amended on August 24, 1984. TAPCR 1200-03-08-.03
- 7. Fugitive dust emissions from this facility shall be controlled as specified in Rule 1200-03-08-.01. Specifically, no person shall cause, suffer, allow, or permit fugitive dust to be emitted in such manner to exceed five (5) minutes per hour or twenty (20) minutes per day as to produce a visible emission beyond the property line of the property on which the emission originates, excluding malfunction of equipment as provided in Chapter 1200-03-20. Fugitive emissions from this source shall be determined by Tennessee Visible Emissions Evaluation Method 4 as adopted by the Tennessee Air Pollution Control Board on April 16, 1986.
- 8. Upon the malfunction/failure of any emission control device(s) serving this source, the operation of the process(es) served by the device(s) shall be regulated by Chapter 1200-03-20 of the Tennessee Air Pollution Control Regulations.
- 9. Recordkeeping: Data Entry Requirements
  - a) For monthly recordkeeping, all data, including the results of all calculations, must be entered into the log no later than thirty (30) days from the end of the month for which the data is required.
  - b) For weekly recordkeeping, all data, including the results of all calculations, must be entered into the log no later than seven (7) days from the end of the week for which the data is required.
  - c) For daily recordkeeping, all data, including the results of all calculations, must be entered into the log no later than seven (7) days from the end of the day for which the data is required.

TAPCR 1200-03-10-.02(2)(a)

10. This source shall comply with all applicable state and federal air pollution regulations. This includes, but is not limited to, federal regulations published under 40 CFR 63 for sources of hazardous air pollutants and 40 CFR 60, New Source Performance Standards. TAPCR 1200-03-09-.03(8)

- 11. This source shall construct in accordance with the terms of this permit and the information submitted in the approved permit application. TAPCR 1200-03-09-.01(1)(d)
- 12. This permit is valid only at this location. TAPCR 1200-03-09-.03(6)
- 13. The permittee shall apply for an operating permit within thirty (30) days of initial start-up of this emission source. If construction of the source cannot be completed and an operating permit application filed with the Technical Secretary by the expiration date of this permit, a permit extension request must be submitted in writing at least thirty (30) days prior to the permit expiration date. The application for an operating permit shall be submitted to the East Tennessee Permit Program at the address listed below or via email. TAPCR 1200-03-09-.02(1) and (3)

East Tennessee Permit Program
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 15<sup>TH</sup> Floor
Nashville, TN 37243

Adobe Portable Document Format (PDF) Copy to: Air.Pollution.Control@tn.gov

- 14. This permit shall serve as a temporary operating permit from the date of issuance to the receipt of a standard operating permit, provided that the conditions of this permit and any applicable emission standards are met. TAPCR 1200-03-09-.02(2)
- 15. The permittee shall certify the start-up date of the air contaminant source regulated by this permit by submitting A COPY OF <u>ALL</u> PAGES OF THIS PERMIT,

with the information required in A) and B) of this condition completed, to the Technical Secretary's representatives listed below:

A) DATE OF START-UP:	/	/	
	month	day	year

B) Anticipated operating rate: \_\_\_\_\_ percent of maximum rated capacity

For the purpose of complying with this condition, "start-up" of the air contaminant source shall be the date of the setting in operation of the source for the dispensing of product for sale.

The undersigned represents that he/she has the full authority to represent and bind the permittee in environmental permitting affairs. The undersigned further represents that the above provided information is true to the best of his/her knowledge and belief.

Signature		Date
Signer's name (type or print)	Title	Phone (with area code)

Note: This certification is not an application for an operating permit. At a minimum, the appropriate application form(s) must be submitted requesting an operating permit. The application must be submitted in accordance with the requirements of this permit.

The completed certification shall be delivered to the East Tennessee Permit Program at the address listed below, no later than thirty (30) days after the air contaminant source is started-up.

East Tennessee Permit Program
Division of Air Pollution Control
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 15<sup>TH</sup> Floor
Nashville, TN 37243

Adobe Portable Document Format (PDF) Copy to: <u>Air.Pollution.Control@tn.gov</u>

TAPCR 1200-03-09-.02(3)(b)

(end of conditions)

The permit application gives the location of this source as 35.888587 Latitude and -84.344142 Longitude.

<u>OR</u>